

## International Regulatory Cooperation for a Global Britain

Government Response to the OECD Review of International Regulatory Cooperation of the UK

September 2020



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Presented to Parliament by the Secretary of State for Business, Energy and Industrial Strategy by Command of Her Majesty

September 2020



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## 1. Ministerial Foreword



The Coronavirus pandemic has laid bare the fact that countries cannot act in isolation to overcome a biological threat to our economies and societies. Regulatory decisions in all countries have been vital in protecting the health of the nation, whether putting rules in place to limit the spread of the virus, enabling the deployment of new technologies or allowing the rapid approval of new vaccines.

The Government has worked to deliver regulatory reforms at speed to help businesses respond to the unprecedented challenges of the pandemic and aid economic recovery. The

virus has demonstrated the importance of regulatory cooperation with our international partners. For example, to ensure the supply of critical personal protective equipment for our health workers.

Good regulation is essential to successful businesses and helping our recovery. The UK rightly has a reputation for sensible, proportionate, and pragmatic regulation and the quality of our regulatory system is recognised by the Organisation for Economic Cooperation and Development's (OECD) 2018 Regulatory Policy Outlook.

Now that the UK has left the European Union, the Government is committed to upholding standards and continuing to be a world leader in better regulation. This means using our new freedom to make sure that British rules work for British companies and citizens, and to develop forward looking regulation that enables us to embrace and harness the technologies of the future.

But that does not mean we are now turning inwards. The Prime Minister, in his speech at Greenwich in February, set out a vision of an open and outward looking Britain that champions free trade and seeks to tackle the ever growing proliferation of non-tariff barriers which are impeding growth in the world economy.

The UK as a liberal and free trading nation will continue to be a driving force for good as we seek to deepen our relationships and trade with partners across the world. Many of the challenges we now face, such as the Coronavirus pandemic, climate change or the societal implications of new technologies, are issues which no one country can address unilaterally. All demand collective international action.

Delivering this vision of a Global Britain starts at home in how we develop our own laws and regulations. For this reason, I warmly welcome the OECD's report on the UK's international regulatory cooperation practices.

The OECD's expertise on regulatory policy issues, coupled with the invaluable experience and contribution of the peer reviewers from Canada, New Zealand and Norway, has delivered a thorough and insightful review. The recommendations in the report set out clearly how the UK can better equip itself to address the challenges of an increasingly interconnected and innovative world.

This response to the OECD's report outlines an ambitious vision for how we intend to achieve this, by embedding a systematic global outlook into the heart of the business of government.

This will help us to create more effective regulatory solutions for the twenty-first century, take advantage of new global innovations and make our economy more resilient to global shocks.

This has to be a whole-of-government endeavour. So, as part of the call for evidence featured in this document (see Annex A), I look forward to hearing the views of regulators, standards bodies and other interested organisations as to how the government can support them in achieving a more international outlook in their own work. We also welcome views from industry to help guide our priorities for future international regulatory cooperation. This will help us to develop an ambitious international regulatory cooperation strategy to support UK actors – including our regulators, standards bodies and industry bodies.

As we embrace this new chapter for our country in the face of adversity, we shall rise to the challenge by adopting an ever more international outlook and harnessing the innovative approaches of UK policy makers and regulators. This will ensure our regulatory system continues to deliver in the interests of consumers, businesses and wider society as we recover from Coronavirus.

Martin A.

Lord Callanan Minister for Climate Change and Corporate Responsibility

### 2. Executive Summary

- 2.1 In 2018, the government commissioned the OECD (as the leading authority on regulatory policy) to conduct a review into the UK's International regulatory cooperation (IRC) practices. The objective was to evaluate how well UK policy makers and regulators are engaging in IRC and increase awareness of its benefits.
- 2.2 IRC is about understanding the implications of regulation beyond national borders. It provides an important opportunity for countries to adapt their regulations to the rapidly evolving needs of a globalised world and to influence the regulation of others.
- 2.3 In practical terms, IRC means shaping and complying with international agreements, utilising international evidence, collaborating with international counterparts either bilaterally or through multilateral forums when designing and enforcing regulations. Or even recognising existing regulations and standards that achieve the same policy objective at lower costs.
- 2.4 For the UK, consideration of IRC is increasingly important given we are at a critical juncture for the country and our regulatory policy. We are seeking to build on our global ambitions now that the UK has left the EU and is taking back regulatory competencies. In tandem, we are developing our own independent trade policy, which includes ensuring policy makers consider the impacts on businesses operating across borders throughout the policy making cycle. This helps lay the groundwork for future free trade agreements.
- 2.5 Crucially, the introduction of emerging technologies is increasingly trans-border in nature. Whilst these create exciting frontiers for innovative business, they create new challenges in how we regulate. We therefore require an understanding of other countries' approaches to ensure we remain at the cutting edge of regulating the technologies of the future, whilst seeking to cooperate on how they are regulated to lower regulatory barriers to trade.
- 2.6 These factors meant the time was right for the OECD to review the UK's IRC capability. The OECD review was underpinned by detailed research and engagement with a wide range of government and regulatory stakeholders, to gain a holistic understanding of the extent to which international implications are considered at all stages of the regulatory design and implementation process.
- 2.7 This has resulted in a report that has documented the UK's existing policies and practices on IRC and finds that while the UK is active on this agenda, our efforts are ad hoc and are not explicitly encouraged by existing policy. The OECD made 25 recommendations as to how the UK can address these issues.
- 2.8 This Government Response welcomes the OECD's report and sets out a clear plan against each recommendation theme. It is our intention to drive a fully systematic focus on IRC across government and regulators. We shall do this by:
  - developing a whole-of-government IRC strategy, which sets out the policies, tools and respective roles of different departments and regulators in facilitating this;

- further embedding IRC considerations within the better regulation framework and other government guidance;
- developing specific tools and guidance to policy makers and regulators on how to conduct IRC; and
- establishing networks to convene international policy professionals from across government and regulators to share experience and best practice on IRC.
- 2.9 It is essential that all those impacted by IRC can provide input into our plans. IRC impacts the wider business and regulatory community. Therefore, this Government Response also contains a call for evidence that will be launched on 02 September 2020. The objective of the call for evidence is to ensure the government's future strategy aligns with the needs of the wider regulatory and business community.
- 2.10 Specifically, our call for evidence aims to understand:
  - how these groups already engage in IRC;
  - their priorities to help inform where we focus our future efforts; and
  - how the government can aid them identify and pursue opportunities.

The results of the call for evidence will be used to inform the development of the government's IRC strategy to be published at a future date.

## 3. Introduction

#### Regulation in the UK

- 3.1 Regulation along with taxation and public spending is one of the primary instruments to help government achieve its policy objectives. Regulation protects consumers, citizens and businesses and supports economic growth by ensuring fair, safe and competitive markets. It can also, however, both create additional costs for businesses and have a powerful impact on innovation.
- 3.2 The UK has a long tradition of driving forward cutting-edge better regulation initiatives. The development of efficient, necessary and proportionate regulation has become a key feature of the UK's economic policy. This robust framework for better regulation is one reason why the UK has a reputation for being one of the best places in the world do business. We were ranked number 8 out of 190 countries for the ease of doing business by the World Bank in 2020<sup>1</sup>, and the quality of our regulatory practices achieved the highest aggregate score of the 34 member countries that were measured in the OECD's Regulatory Policy Outlook Report 2018<sup>2</sup>.

#### The changing regulatory landscape

- 3.3 Having left the European Union (EU), we have the opportunity to build a more prosperous country that is open and outward-looking. In regaining control over regulatory competencies which cover large swathes of the economy (such as banking, agriculture, the environment and consumer protection) and our own trade policy for the first time in over forty years, we must ensure our regulatory practices are fit for the future.
- 3.4 A more innovative regulatory approach is also demanded to help address the challenges faced by policy makers and regulators in a more interconnected and innovative world whether in responding to the challenges posed by Coronavirus, or the pace and complexity of technological change in the Fourth Industrial Revolution.

#### The trans-border challenges of new technologies

CRISPR<sup>3</sup> is an emerging technology that can be used to edit genes that has implications for all of humanity no matter where it is used. The technology can find a specific bit of DNA inside a cell. After that, the next step in CRISPR gene editing is usually to alter that piece of DNA. However, CRISPR has also been adapted to do other things too, such as turning genes on or off without altering their sequence.

The prospect of CRISPR applications triggered initiatives to share and coordinate scientific and technological advancements at the international level. Two International Summits on Gene Editing, held in Washington in 2015 and in Hong Kong in 2018, provided the main venue for scientists to reflect upon the potentials and implications of

<sup>&</sup>lt;sup>1</sup> World Bank (2019); '<u>Doing Business 2020s</u>'.

<sup>&</sup>lt;sup>2</sup> OECD (2018); 'OECD Regulatory Policy Outlook 2018'.

<sup>&</sup>lt;sup>3</sup> CRISPR - clustered regularly interspaced short palindromic repeats

CRISPR, including its threatening and unwelcome effects on health, safety, and the environment.

The announcement, made during the 2018 conference, by a researcher that CRISPR gene editing had been successfully performed on two twin girls in order to make them resistant to infection from HIV/AIDS provoked strong reactions toward the unregulated use of CRISPR.

The Summits recommended that further CRISPR research should be subjected to stringent oversight while taking into account risks of inaccurate editing, effects on populations, possible interactions of the edited organism with the environment, implications on future generations, risk of spreading of the edited features across country borders, issues of increased social inequalities or possibility that gene editing is used coercively, and general moral and ethical considerations on altering human evolution.

3.5 In embracing economic opportunity with an enthusiastic approach to trade, our approach to how we make our own laws and regulations has a part to play in this – by embedding an international outlook at the heart of the business of government.

#### The role of international regulatory cooperation

- 3.6 IRC is about seeking to understand the potential implications of domestic regulations beyond national borders, and the impact of international regulations on our domestic environment; and to minimise any frictions that arise, except where there are good policy objectives for maintaining differences.
- 3.7 In practice, this means developing a greater awareness of the international dimension to our own domestic policies, or collaborating with our international counterparts, either bilaterally or through multilateral forums, in designing and enforcing regulations.

#### Defining international regulatory cooperation

The OECD defines international regulatory cooperation as:

"Any agreement or organisational arrangement, formal or informal, between countries to promote some form of co-operation in the design, monitoring, enforcement, or ex-post management of regulation".<sup>4</sup>

- 3.8 The interconnected nature of the world and our economy means that that countries must increasingly collaborate in the regulatory sphere. When dealing with the complexities and uncertainties of issues with an intrinsically transnational nature (such as climate change, taxation, the internet and emerging technologies), the absence of cooperation can undermine the effectiveness of domestic regulations and their enforcement. This can lead to a 'race to the bottom' where companies practice 'regulatory arbitrage' and locate in countries with the lowest regulatory standards.
- 3.9 Economically, IRC can help reduce regulatory non-tariff barriers to trade by encouraging policy makers and regulators both to consider rules that already exist internationally, and also to explore the potential to collaborate with international partners to harmonise

<sup>&</sup>lt;sup>4</sup> OECD (2013); <u>'International Regulatory Cooperation: Addressing Global Challenges'</u>

our approaches, or at least to reduce inadvertent divergence. Identifying where a common regulatory approach may increase trade flows and economic growth through reducing burdens on business can open up markets and create export opportunities and encourage investment by firms with a global footprint.

#### The potential benefits for the UK

- 3.10 The UK has always been an outward-looking nation. International trade has long been an important part of our economy total trade with the world is equivalent to over half of our GDP<sup>5</sup>. Adopting an even more global outlook helps identify where we can reduce non-tariff barriers when in the interest of UK businesses and consumers.
- 3.11 On the pressing global issues that demand collective action, the UK is already a role model in terms of both our domestic policies and efforts to forge global consensus in support of the international rules-based system. We demonstrate this, for example, by our action to tackle climate change through setting ambitious domestic targets and playing a leading role in international negotiations.

#### Working through the Rules Based International System

The Rules Based International System is the network of agreements and institutions which, taken together, underpin security, prosperity, trade, human rights and values. It provides the basis to protect precious global public goods, such as the environment, and has a key role to play in tackling some of the biggest challenges facing our society. The UK was one of the architects of the system and remains a strong supporter. We are an active player in multilateral forums and pursuing UK interests across a wide range of issues.

There are a large range of institutions and multilateral organisations that form part of this system, many of which set international rules and norms. These are a tool for policy makers and regulators through which to seek cooperation on issues that require collective action to ensure effective enforcement – helping harmonise regulatory approaches and as a means of promoting best practice internationally.

- 3.12 When it comes to the technologies of the future which are global in their scale and implications, the UK has a comparative advantage in many emerging sectors. We have the strongest tech sector in Europe with more tech companies worth £1 billion than any other European country<sup>6</sup> and London is the Fintech capital of the world<sup>7</sup>.
- 3.13 Working with partners across the globe to address the trans-border regulatory challenges of these technologies is essential to enabling their rapid and safe adoption. But cooperation would also help reduce regulatory barriers to trade in innovative products and services creating further opportunities for the UK tech sector. And considering harmonising or collaborating on rules for new technologies from the outset can help lay the groundwork for future trading arrangements.

<sup>&</sup>lt;sup>5</sup> World Bank (Website): <u>https://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?locations=GB</u>

<sup>&</sup>lt;sup>6</sup> Department for Digital, Culture, Media and Sport (2019); 'DCMS Digital Sector Economic Estimates'

<sup>&</sup>lt;sup>7</sup> Department for International Trade & HM Treasury (2019); 'Fintech – State of the Nation'

3.14 Embedding a more systematic and coordinated consideration of IRC in the UK can help equip us to forge a new path in developing a truly Global Britain.

## OECD Review into the UK's international regulatory cooperation

- 3.15 The OECD report<sup>8</sup> delivers an extensive overview of the UK's regulatory policy and IRC practices. It finds that the UK to date has largely seen IRC as an EU competence, with the result being that there is no overarching, cross-government strategic vision and systematic practices in place in the UK. Beyond our engagement with the EU in setting common rules, IRC with the rest of the world has been mostly sporadic and sector specific. Despite this, the OECD did find significant examples of IRC that were already being undertaken by the UK mostly through initiatives by our world-renowned regulators.
- 3.16 The OECD makes twenty-five recommendations for how the UK regulatory framework could embed a more systematic consideration of the international environment across three broad areas:
  - I. building a holistic IRC vision and strategy with clearly defined roles and responsibilities;
  - II. further embedding stronger IRC considerations in regulatory management tools (beyond trade and business impacts) and throughout the rulemaking cycle; and
  - III. updating incentives, awareness and guidance to government departments and regulators.
- 3.17 A full summary of the recommendations can be found in **Annex B**. The following section sets out the OECD's recommendations in more detail and the Government's plans to address each.

<sup>&</sup>lt;sup>8</sup> OECD 2020; 'Review of International Regulatory Co-operation of the United Kingdom'

## 4. Government Response to the OECD's recommendations

4.1 The UK Government welcomes the OECD report. The report and its findings will be instrumental in enabling the UK to build on our current IRC practices as we implement the report's recommendations. We intend to maintain and build on the UK's international leadership on better regulation and to increasingly collaborate with likeminded countries across the globe as we forge a path to economic recovery from Coronavirus.

## Recommendation group 1: Building a holistic international regulatory cooperation vision and strategy with clearly defined roles and responsibilities

#### Analysis of the OECD's findings and recommendations

- 4.2 As the OECD notes, the UK already has in place a robust whole-of-government approach to promote the development of a strong rationale for regulation and comprehensive assessment of regulatory burdens through our <u>Better Regulation</u> <u>Framework</u>, overseen by the <u>Better Regulation Executive</u> (BRE) in the Department for Business, Energy and Industry Strategy. The independent Regulatory Policy Committee (RPC) has responsibility for scrutinising the government's use of evidence and analysis in relation to business regulation. Better Regulation Units (BRUs) sit in each government department and some regulators to support their organisation's compliance with better regulation requirements.
- 4.3 The review found that existing IRC efforts in the UK are fragmented and sector specific in nature. The OECD recommends, therefore, that the government develops a systematic, national level, whole-of-government policy to promote and support IRC. This would help create clear political leadership and a system across the UK government for encouraging regulatory cooperation.

#### Our plan

- 4.4 In response to the OECD's recommendations, the Better Regulation Executive building on its existing leadership function in relation to better regulation will be taking forward an ambitious programme of work to develop an IRC strategy for the whole-of-government. It will encompass the full range of IRC tools at our disposal, our existing better regulation processes and facilitating cooperation between UK regulators and their international counterparts, amongst others.
- 4.5 This Government Response begins setting out the compelling rationale for greater IRC in the UK as a call to action. The strategy will develop this rationale into a clear vision for the role of international cooperation in the UK's regulation-making processes. It will bring to bear a series of cross-government processes and initiatives so that an international dimension is proactively embedded throughout the regulatory cycle. The published strategy will then act as a compendium of these processes and practices that will be put in place to guide policy makers and regulators in their journey.

- 4.6 Key to this strategy will be defining the respective functions of departments in facilitating IRC, given the range of tools available which are owned by different departments within government. For example, the strategy will outline the processes through which domestic policy makers and regulators can access support when considering potential international dimensions to their work at various stages.
- 4.7 The FCDO's international network of Embassies and High Commissions will be utilised to provide information and expertise through its Regulatory Diplomacy Programme. This will inform domestic policy making and highlight opportunities for international collaboration. More broadly, BRE will seek to systematically share relevant information between different actors across government where it can help reinforce the complementary objectives of departments and regulators.

#### **Regulatory Diplomacy**

The Foreign, Commonwealth and Development Office (FCDO) has set up a governmentwide initiative on 'Regulatory Diplomacy'. Its objective is to create a coherent approach to influencing standards development and regulation internationally, in line with UK priorities – involving government, regulators, standards bodies and industry.

The Regulatory Diplomacy initiative promotes information-sharing on international engagement between government departments, the government's overseas network, regulators and the business community. It also seeks to facilitate access for these stakeholders to government training, support and resources. This is with a view to improving UK effectiveness in engaging on regulatory issues with international partners and in multilateral forums.

- 4.8 BRE already has extensive engagement with policy teams considering new regulatory proposals across government and provides training and guidance on regulatory alternatives. We will consider how IRC can be taken forward as part of this offer. In addition, we will utilise the network of BRUs and central international teams in each department and regulator to be vectors through which to encourage policy makers to use international evidence and consider opportunities to pursue international collaboration as part of effective rulemaking.
- 4.9 The approach outlined above should help establish more systematic consideration of international evidence and opportunities throughout the regulatory cycle. Any resourcing requirements falling out of this approach will be considered as part of a future Government Spending Review.

#### Call for evidence

4.10 To ensure the government's strategy also aligns with the needs of the wider regulatory and business community, we are seeking input from regulators, industry, standards bodies and other interested parties through a public call for evidence. We want to understand how these groups already engage in IRC; their priorities to help inform where we focus our future efforts; and how the government can aid them in identifying and pursuing opportunities. This information will be used to map existing IRC undertaken by a range of UK actors in support of developing our future strategy. Further information on how to respond to this call for evidence can be found in **Annex A**.

## Recommendations group 2: Embedding international regulatory cooperation more systematically in regulatory management tools and throughout the rulemaking cycle

#### Analysis of the OECD's findings and recommendations

- 4.11 The OECD notes that IRC is mainly implicit within the UK's Better Regulation Framework and supporting guidance, which in part explains the *ad hoc* consideration of international evidence and IRC practices by government departments and regulators. While there are references to the importance of international evidence in HM Treasury's Green Book<sup>9</sup>, which sets out guidance on appraisal and evaluation of policies, projects and programmes, these are not detailed.
- 4.12 Embedding IRC within regulatory policy tools would involve encouraging greater and routine use of international evidence within regulatory impact assessments, cost benefit analysis and the assessment of the Business Impact Target. For post-implementation reviews, there currently exists the potential to build into the process an assessment of whether regulations have remained consistent or diverged from international standards and if there have been any unintended trans-border implications.
- 4.13 The OECD also recommends that the government update the Regulators' Code (a statutory code that provides a principles-based framework for how regulators should engage with those they regulate) to ensure that regulators consider IRC in regulatory delivery specifically the use of international evidence in their analytical processes.
- 4.14 Underpinning all of this, the OECD recommends that BRE review the Better Regulation Framework as a whole (including administrative and legal requirements) in terms of the incentives it creates for government departments and regulators to undertake IRC.

#### Our plan

- 4.15 In March 2020, in light of the OECD's recommendations, we updated the regulatory impact assessment template to explicitly encourage the use of international evidence. We also updated the supporting <u>Better Regulation Framework Guidance</u> to reiterate that consideration be given as to whether alignment with, or divergence from, existing international approaches would be desirable or undesirable and why. Users of the guidance are signposted to BRE and the FCDO for further advice and support in gathering relevant evidence.
- 4.16 Also in March 2020, the Chancellor announced a review of the underpinning methodological guidance in the HM Treasury's Green Book on appraisal and evaluation. As part of reviewing this document, we will consider how to include more consistent references to the use of international evidence. In line with this, BRE will consider how best to update the principles of best practice for producing post-implementation reviews in order to highlight the transboundary nature of many areas of regulation, and that it may be necessary to assess whether regulation is consistent with comparable international instruments and practices. Similarly, when the Regulators' Code is next

<sup>&</sup>lt;sup>9</sup> HM Treasury (Website): <u>https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent</u>

reviewed, we will consider how it could be updated to include greater consideration of IRC.

- 4.17 BRE will work with the RPC to assess the existing use of international evidence in regulatory impact assessments and post-implementation reviews, and develop further methodology for evaluating its use if needed. This will build on the key considerations policy makers should bear in mind when answering the trade and investment question in the impact assessment template, and the future development of a methodology to help policy makers measure the trade impacts of their proposal. At this stage, however, we do not intend for it to be an area on which the RPC will assess impact assessments. More explicit references to IRC are intended to act as a 'soft' lever to encourage more systematic consideration of the international environment by policy makers. The RPC will still be able to provide feedback on this point, but not use it as a basis to form an Opinion.
- 4.18 The government will continue to look for ways to ensure the Business Impact Target reflects the real impact of regulation to ensure we understand the costs and benefits, of regulation on businesses of all sizes, in all sectors and regions. As part of this, we will consider whether to include how international impacts of proposals are considered in the cost and benefit calculation required by government departments and regulators, and how this may incentivise the use of international evidence and drive IRC.
- 4.19 These initial changes to the framework and supporting policy documents reflect our commitment and momentum towards implementing the OECD's recommendations. More systematic changes will be considered over the longer term as part of developing the government's IRC strategy.

#### Recommendations group 3: Increasing awareness and understanding about international regulatory cooperation across departments and regulators

#### Analysis of the OECD's findings and recommendations

- 4.20 The OECD report highlights a disparity in awareness of IRC across regulators and departments, with some actively pursuing international collaboration and others being less proactive.
- 4.21 The development of government policy and guidance on IRC would, therefore, help to create a more consistent, higher level of awareness of the potential benefits of international cooperation in the making and enforcement of domestic rules. In addition to this, while there are several government-convened forums for regulators these do not focus on international cooperation or help foster a community of practice in a way that would help promote further awareness.
- 4.22 As a means of identifying non-tariff barriers to trade and encouraging mutual best practice, the OECD report recommends the UK's participation in international bilateral regulatory forums with major economies and trading partners.

#### Our plan

- 4.23 The Government's IRC strategy will set out a vision for international regulatory cooperation and a rationale for doing so across the regulatory cycle to help promote its adoption.
- 4.24 Accompanying this will be practical guidance relevant to both government departments and regulators on how to undertake regulatory cooperation. This will take the form of a toolkit covering the use of international evidence: identifying opportunities for international collaboration and the potential tools for delivering this. We will also consider whether similar support could be provided to business groups in identifying opportunities for IRC.
- 4.25 To help target our outreach and support of regulators, standards bodies and business groups, the call for evidence in **Annex A** invites submissions to map existing engagement in IRC activities, and seeks to understand future priorities and what information / guidance is most critical for government to provide in supporting these priorities.
- 4.26 Within government we are working to map existing IRC activities globally through the FCDO's Regulatory Diplomacy Initiative. We are engaging across domestic government departments and FCDO's network of overseas Posts to identify areas of bilateral cooperation and UK participation in international organisations. This will help identify priority areas and potential gaps in our engagement and allow us to focus additional expert training where needed to equip officials to engage domestically, bilaterally and multilateral in IRC.

#### The UK driving international action on anti-microbial resistance

Antimicrobial resistance (AMR) arises when the organisms that cause infection – including bacteria, viruses, parasites and fungi – evolve ways to survive treatments developed to kill them. In 2018, there were estimated to be over 60,000 antibiotic resistant severe infections in England alone, equivalent to 165 new antibiotic-resistant infections per day<sup>10</sup>. If appropriate action is not taken both here and abroad, up to 10 million people per year could die worldwide by 2050, with a cumulative impact on the global economy of \$100 trillion<sup>11</sup>.

AMR is a global issue that cannot be tackled by one country in isolation: trade and travel have increased the ease with which microbes, including those that are drug-resistant, move around the world, as we have seen with the Coronavirus. The UK works globally to raise awareness, fund essential research and development, strengthen international systems to tackle AMR and to collaborate and support other countries to act.

The UK has been at the forefront of international efforts to tackle AMR through agencies such as the World Health Organisation (WHO), Food and Agricultural Organisation and World Organisation for Animal health, and in multilateral forums of the G7, G20 for a number of years. The UK was instrumental in developing the content of the WHO-led Global Action Plan on AMR in 2015, which calls for Member States to publish and implement national action plans.

A year later, the UK was at the forefront of lobbying for the pivotal 2016 UN high-level meeting, which allowed us to highlight the issue at the highest political level. The UK fed into negotiations for the resulting declaration, which endorsed the Global Action Plan, the alignment of action on AMR with the 2030 sustainable development goals and led to clear commitments by all signatories to ensure adequate action is taken to mitigate the threats presented by AMR.

UK international leadership on AMR has been helped in no small part by the role played by Professor Dame Sally Davies, former Chief Medical Officer for England, and now UK Special Envoy on AMR. Dame Sally sat as co-convener on the UN Inter-Agency Coordination Group, which gave its recommendations to the UN Secretary General in April 2019. The UK is now working internationally to support the implementation of the recommendations in a form that is acceptable to other states and stakeholders.

- 4.27 To help scan the policy environment for emerging regulatory friction and opportunities for international collaboration, the Department for International Trade (DIT) is working to strengthen the UK's forward planning tools. They are developing a triage process for assessing all regulatory notifications to the World Trade Organisation, so they can then be disseminated to relevant policy teams in government for assessment and discussion with stakeholders if necessary. DIT is also working to upskill teams across government in their consideration of international standards, where they exist, as the basis for regulation.
- 4.28 This complements the work undertaken by BRE to improve the awareness of the effects of domestic proposals on trade among departments and regulators so that impacts are

<sup>&</sup>lt;sup>10</sup> Public Health England (2019):

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/843129/English Surveillance Programme for Antimicrobial Utilisation and Resistance 2019.pdf

<sup>&</sup>lt;sup>11</sup> Wellcome Trust (2014): <u>https://amr-review.org/sites/default/files/AMR%20Review%20Paper%20-</u>%20Tackling%20a%20crisis%20for%20the%20health%20and%20wealth%20of%20nations\_1.pdf

systematically considered. A question on the potential impact of regulatory proposals on investment and trade is now included in the regulatory impact assessment template.

- 4.29 The Regulatory Horizons Council was announced in the 2019 White Paper *Regulation for the Fourth Industrial Revolution*<sup>'12</sup>. Its role is to identify the implications of technological innovations and advise the government on regulatory reforms. In doing so, it will use international evidence to develop its recommendations. This will help to embed IRC and raise awareness across government and regulators from the outset.
- 4.30 Given the UK's commitment to developing a world-class regulatory regime, we will continue to be an active player in multilateral forums and explore how we can become more effective. We are also looking to deepen our bilateral relationships with our key trade and strategic partners on issues of regulatory policy. We are working to include ambitious chapters on good regulatory practices and regulatory co-operation in the future free trade agreements that the UK is negotiating now we have left the EU.
- 4.31 Distinct from our trade agenda, we are also developing a programme of Better Regulation Forums with a range of international partners. These Forums will involve departments across governments and regulators, with a view to fostering relationships and practical collaboration between their international counterparts.
- 4.32 To help facilitate more strategic engagement and consultation with our domestic stakeholders, we will explore the feasibility and appetite for establishing separate networks convening international policy professionals from UK regulators and business organisations to share experience and best practice on IRC, and identify frictions arising from different regulatory approaches. These networks would also act as a forum where the government can give visibility to its own engagement strategy and priorities.
- 4.33 As part of the Regulatory Diplomacy initiative, we are already working to build a community of practice on IRC, linking domestic stakeholders to the government's overseas network. This includes communications, events and platforms to bring together non-state actors (regulators, other public bodies and business) and government officials involved in regulatory cooperation. In addition to this coordinating network, the initiative will also seek to provide support and relevant training as required.

#### Collective action to fight the illegal wildlife trade (IWT)

The illegal wildlife trade is an international tragedy. Such environmental challenges do not respect borders and require the international community to act together to support and build urgent collective action.

The UK government is at the forefront of international efforts to protect endangered animals and plants from poaching and illegal trade. In 2018, the UK convened the largest ever global IWT conference at which 65 countries signed up to the London Declaration, committing to take urgent, coordinated action against IWT.

<sup>&</sup>lt;sup>12</sup> Department for Business, Energy and Industrial Strategy (2019); '<u>Regulation for the Fourth Industrial</u> <u>Revolution</u>'

The UK is working to tackle IWT from all angles and is investing over £66m between 2014 and 2024 on work to directly counter IWT<sup>13</sup>, including to reduce demand, strengthen enforcement, ensure effective legal frameworks and develop sustainable livelihoods.

The UK funds projects through our internationally renowned Illegal Wildlife Trade Challenge Fund<sup>14</sup> and through work with organisations around the world. Projects cover a multitude of activities: from training rangers, border force agents, and prosecutors; to campaigning to reduce the demand for products in key markets; supporting legislative reform to increase conviction rates and penalties for wildlife crime; and helping communities to turn away from poaching and manage their wildlife and benefit from it.

Overseas, the British diplomatic network plays a leading role in raising and maintaining political will and driving the global response to eradicate illegal wildlife trade. This has included developing country-specific campaigns highlighting the plight of endangered species and convening national experts to examine ways in which to tackle the demand for these products and species.

<sup>&</sup>lt;sup>13</sup> Department for Environment, Food and Rural Affairs (2020): <u>https://www.gov.uk/government/news/funding-</u> boost-to-crack-down-on-the-illegal-wildlife-trade

<sup>&</sup>lt;sup>14</sup> Department for Environment, Food and Rural Affairs (2015): <u>https://www.gov.uk/government/collections/illegal-</u> wildlife-trade-iwt-challenge-fund

### 5. Note on territorial scope

- 5.1 Responsibility for better regulation policy falls to the Devolved Administrations in their areas of competence. The Scottish Government, the Welsh Government and the Northern Ireland Executive have their own frameworks and processes including impact assessments, systems of independent scrutiny and other requirements.
- 5.2 The Devolved Administrations were involved in the OECD Review, and we hope to continue working with them to exchange best practice and understand how the recommendations of the report may be applied within their own national contexts.
- 5.3 Whilst the scope of any future strategy will therefore be limited to the UK Government, we intend to make guidance and support from BRE and the FCDO accessible to the Devolved Administrations in order to continue our collaborative relationship on issues concerning better regulation.

### 6. Conclusion

- 6.1 This paper sets out our response to the recommendations in the OECD's report of the review of the UK's IRC. Both the commissioning of the review, and our response to the report, reflect our commitment to ensuring that IRC remains at the heart of this government's ambition to oversee a regulatory system that continues to be proportionate, optimised for UK conditions, innovation-friendly and easier for businesses.
- 6.2 The challenges demand an ambitious vision for greater cooperation. We are committed to working with organisations across government, the public sector and business to make that a reality.
- 6.3 Ensuring a more systematic and coordinated consideration of international regulatory cooperation in this way will help equip us to forge a new path for ourselves in developing a truly Global Britain. This will allow the UK to continue to play an important role in shaping how regulation is developed internationally for the benefit of our trading relationships and wider societal interests.

# Annex A: Call for evidence on the government's international regulatory cooperation strategy

#### Why we are issuing a call for evidence

We are inviting contributions, in particular from regulators, standards bodies, industry and other interested organisations, to input into the government's plans for developing a whole-of-government strategy on international regulatory cooperation.

This call for evidence aims to:

- gather evidence to map the existing landscape of international regulatory cooperation activities undertaken by these organisations;
- understand the future priorities of these organisations in relation to international regulatory cooperation; and
- inform the development of a package of measures (such as training, guidance and access to information / networks) to support these organisations in identifying and pursuing international regulatory cooperation opportunities.

The information gathered will be used to inform the development of the government's future international regulatory cooperation strategy.

#### How to respond

The call for evidence will be open for 12 weeks, from 2 September 2020 to 23:59 on 25 November 2020.

The best way to respond to this survey is via the interactive online form hosted by Citizen Space.

Respond online at: <u>beisgovuk.citizenspace.com/bre/international-regulatory-cooperation</u>

If you prefer, you can also email your response to: IRCconsultation@beis.gov.uk

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

#### Confidentiality and data protection

Information you provide in response to this call for evidence, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable UK and EU data protection laws. See our <u>privacy policy</u>.

#### Call for evidence questions

Some questions in this call for evidence are aimed at specific types of stakeholder based on the type of organisation they represent. Please respond only to the questions relevant to your type of organisation as directed.

Question no	Question
Question 1:	What is the name of your organisation?
Question 2:	What type of organisation are you?
	<ul> <li>a) Regulator, standards body or similar type of organisation</li> <li>b) Business organisation (either a company or a business representation group or trade association)</li> <li>c) Other</li> </ul>

Question 3: Please provide some brief background on the role, remit or purpose of your organisation.

If you answered A (regulator, standards body or similar type of organisation) in response to question 2, please answer the following questions. These questions (number 4 - 6) are for these organisations only.

Question 4: What international regulatory cooperation initiatives, if any, does your organisation undertake? Please provide a comprehensive overview.

This may include, for example, participation in international forums, membership of international networks, being involved in the development of international standards or instruments, formal cooperation with international organisations or counterparts (through a Memorandum of Understanding for example) and international enforcement initiatives. Note this list is not exhaustive.

- Question 5: In your experience, what are the challenges for regulators, standards bodies and similar organisations in engaging in international regulatory cooperation initiatives?
- Question 6: How can the government support regulators, standards bodies and similar organisations in undertaking international regulatory cooperation through the development of a strategy?

For example, what guidance, information or training could be made available. Please also identify other ways that the government could provide support. If you answered B (business organisations) in response to question 2, please answer the following questions. **These questions (number 7 - 8) are for business organisations only.** 

- Question 7: In what ways can the government's international regulatory cooperation strategy accommodate the needs of industry?
- Question 8: How can the government best engage with industry on issues of international regulatory cooperation, in order to identify regulatory frictions and specific initiatives that could benefit businesses?

#### This final question is aimed at all types of stakeholders and organisations.

Question 9: Please provide any views that might inform the government's international cooperation strategy.

Organisations who have answered questions 4 - 8 can provide any additional comments or views not already captured in their response here.

## Annex B: OECD recommendations & summary of commitments

Group 1: Building a holistic IRC vision, a strategy and political leadership for IRC in the UK, with clearly defined roles and responsibilities for key players, to develop quality regulation in a globalised context

No.	OECD recommendation	UK government commitment
1	Ensure IRC leadership and systematic mainstreaming from the Government institutions responsible for better regulation policy and oversight. To have maximum impact, strong IRC leadership should sit with part of government with sufficient cross-government oversight of cross-sectoral regulatory activity, ideally a committee of ministers to provide political leadership.	The Government's forthcoming international regulatory cooperation strategy will set out arrangements for establishing leadership on this issue across government.
2	Sufficient financial and human resources should be dedicated to ensuring the systematic application of IRC rules within departments. IRC is part and parcel of the regulatory policy agenda – it is an important building block of regulatory quality. As such, there should be dedicated staff strongly connected to the Better Regulation agenda and Framework with sufficient resources and influence to ensure maximum mainstreaming in the rulemaking practices of departments and regulators.	The Better Regulation Executive (BRE) will lead on implementing greater international regulatory cooperation. The potential resourcing requirements for BRE, departments and regulators will be considered as part of any future Government Spending Review.
3	Roles and responsibilities on IRC policy and oversight should be clearly defined and close co-operation fostered between the various institutions involved (the BRE, the RPC, the BRUs, the FCDO and DIT) to ensure that IRC efforts resonate with regulators.	The government's forthcoming international regulatory cooperation strategy will comprehensively set out the roles and responsibilities of different bodies across government in relation to international regulatory cooperation.
4	The BRE and RPC, as oversight bodies for the better regulation framework, should play an active role in pushing	The BRE will lead on mainstreaming international regulatory cooperation, working closely with our partners and

No.	OECD recommendation	UK government commitment
	forward and mainstreaming the IRC agenda. They should work closely with the BRUs and the wider analytical community and Board Level Champions, to ensure that they have sufficiently detailed technical understanding of IRC, thereby enabling them to challenge their respective departments to integrate IRC into policy making processes.	through existing better regulation networks.
5	Develop a whole-of-government strategy, with a single, broad, definition of IRC and common public policy objectives in line with the UK Government's strategic priorities, taking into account Government departments, regulatory bodies and the devolved administrations. In particular, take into consideration the potential of IRC to pursue regulatory objectives including social and environmental objectives, while also taking into account its benefits for facilitating international trade.	The government will in future publish an international regulatory cooperation strategy for the UK, acting as a compendium of practices and process undertaken for embedding this.
6	The part of government tasked with developing the IRC Strategy must ensure that it is shared across government and designed with inputs from within and outside of government to ensure ownership of the government's IRC priorities. Regulators know their field and peers. The government objective should be to facilitate their cooperation by clarifying what IRC is and what can be expected from it; and to provide guidance where needed, by facilitating access to the relevant information.	The government, through this response to the OECD's recommendations, is consulting on its future international regulatory cooperation strategy – including what guidance and information it can provide to stakeholders to facilitate it.
7	Take forward the White Paper proposals and monitor their implementation, as these contain a number of proposals, which could help build UK IRC capacity at a number of levels. These include building methodologies and understanding of the effects of regulation on trade amongst departments/regulators; ensuring that	The BRE continues to take forward work implementation commitments in its White Paper on Regulation for the Fourth Industrial Revolution. This includes trialling a question in the impact assessment process on trade and investment, including international regulatory cooperation in ongoing trade negotiations and being an active

No.	OECD recommendation	UK government commitment
	IRC is reflected in trade deals and working upstream to influence IRC in international forums.	participant in various international forums (particularly the OECD).
8	While it is important that the strategic vision supports the transition in the withdrawal from the EU, this vision should be long-term and well rooted into the better regulation agenda. In particular, this involves preventing the UK IRC and regulatory policy agendas more broadly from becoming merely a response to the UK's expected withdrawal from the EU and ensuring that they remain state-of-the-art and forward looking.	International regulatory cooperation will continue to support our ambition of building a more Global Britain following our exit from the EU.
9	As the UK develops its IRC policy, it should be targeted/focused proportionately upon aspects of economic activity with the largest regulatory impact. It should give priority to key partners for collaboration, taking into account the UK's degree of 'dependence' on other countries, depend on sectors and account for IRC drivers	The government's international regulatory cooperation strategy will highlight its priority for collaboration, based on areas where this could generate the most significant benefits. Feedback from stakeholders will also inform our priorities.
10	As Departments implement the new 'trade' impact of the RIA / ex-post review processes, it will provide valuable data to feed into the IRC Strategy, inform on areas of priority and potential IRC partners, and support upstream trade negotiations. The case of Norway can also usefully inform UK policy makers on how to relate to the EU legislation as a non-Member, both to influence and then adopt / implement it.	The BRE and Regulatory Policy Committee (RPC) will assess the evidence on the impact of proposal on international trade and investment gathered through the RIA process to inform our international regulatory cooperation initiatives.
11	The UK should leverage further its strong record in regulatory policy to promote good regulatory practices, including IRC, internationally. Strong culture of regulatory quality allows better dialogue on regulatory matters and facilitate the development of trust across governments and regulators.	The UK will continue to promote and share best practice on regulatory policy through a number of international forums. In particular, we are already an active participant of the Regulatory Policy Committee at the OECD.

## Group 2: Embed IRC more systematically in regulatory management tools and throughout the rulemaking cycle

No.	OECD recommendation	UK government commitment
12	If possible, update the relevant legislation and policy documents, which frame regulatory policy to embed IRC and to ensure that departments and regulators have any necessary legal mandate to undertake such activities. The Government may wish to review whether the SBEE Act provisions regarding the Business Impact Target affect the incentives of departments and regulators to consider IRC when assessing the impact of new regulatory measures. Should the UK Government consider revising the legal requirements around Better Regulation post EU withdrawal, this would provide an opportunity to embed a broader vision of regulatory quality via either legislation or administrative rules. IRC should then be considered on the same level as the other key high-level principles driving regulatory quality, as provided by the 2012 OECD Recommendation on Regulatory Policy and Governance.	The BRE has already made initial updates to the Better Regulation Framework and impact assessment process to highlight the importance of international evidence. The government will continue to look for ways to ensure the Business Impact Target reflects the real impact of regulation to ensure we understand the costs and benefits of regulation on businesses of all sizes, in all sectors and regions. As part of this, we will consider whether to include how international impacts of proposals are considered in the cost and benefit calculation required by government departments and regulators, and how this may incentivise the use of international evidence and drive international regulatory cooperation. Further changes to the Better Regulation Framework will also be considered in the longer term to continue promoting best use of international evidence on consideration of international regulatory cooperation in policy making.
13	It will also be important to consider whether the UK Regulators' Code needs updating to ensure that regulators are considering IRC, including the use of international evidence, in their analytical processes.	When the Regulators' Code is next reviewed, we will consider how it could be updated to include greater consideration of international regulatory cooperation.
14	Clarify and emphasise the importance of considering the extent to which new regulations are compatible with existing EU, foreign and international evidence, regulatory options and experiences in the Better Regulation Framework, in the related guidance, and in the criteria used by the RPC for analysing RIAs. In particular, the use of relevant foreign and international evidence could be explicitly mentioned as being an important element of quality evidence to be used in RIA and	The BRE has already made initial updates to the Better Regulation Framework and impact assessment process to highlight the importance of international evidence. These updates encourage policy makers and regulators, when developing a list of regulatory options, to use international comparisons when developing policy options.

No.	OECD recommendation	UK government commitment
	PIR. Systematic references to international practices in the same field could be encouraged as part of the policy development for any new regulatory measure and the reasons for departing from them explained (even for those measures under the de minimis threshold).	At this stage we do not intend for it to be an area on which the RPC will assess impact assessments. More explicit references to international regulatory cooperation are intended to act as a 'soft' lever to encourage more systematic consideration of the international environment by policy makers. The RPC will still be able to provide feedback on this point, but not use it as a basis to form an opinion. As we continue to develop our methodology and understanding of international regulatory cooperation, more substantive changes to the framework may be made in future.
15	Modify policy guidance on regulatory policy, including the Better Regulation Framework Guidance and other key sources of guidance (e.g. HMT Green Book) to embed explicit recommendations to consider the international environment and to help departments and regulators understand how and when to consider IRC in the regulatory process. Provide them methodological help to consider IRC in the cost and benefit calculation for the BIT.	Some updates have already been made to the Better Regulation Framework, and the Chancellor announced a review of the underpinning methodological guidance in the HM Treasury's Green Book on monitoring and evaluation in March 2020. As part of reviewing this document, we will consider how to include more consistent references to the use of international evidence. We will aim to make further substantive
		changes to the full suite of UK policy guidance in future as we develop our international regulatory cooperation strategy. BRE will work with the RPC to assess the existing use of international evidence in regulatory impact assessments and post implementation reviews, and
16	The Covernment should consider whether	develop further methodology for evaluating its use if needed.
16	The Government should consider whether regulatory bodies have sufficient resourcing to increase their level of IRC activities. IRC is not a cost-free activity and adequate resources will be a critical success factor in their ability to systematically embed IRC in their rule making processes. Ultimately, there are efficiency and effectiveness gains of	The potential resourcing requirements for BRE, departments and regulators will be considered as part of any future Government Spending Review.

No.	OECD recommendation	UK government commitment
	regulatory cooperation to balance these costs.	
17	As the UK Government works to add the measurement of trade impacts into the RIA process, the RPC will have a critical role in providing independent assurance over the robustness of the calculations and assisting in the development of the underlying methodology. In addition, the RPC could build upon its previous work to provide methodological training and guidance materials (in coordination with BRE and DIT) to departments and regulators. Evidence on the trade impacts of individual regulations will also be useful more generally for future trade policy.	BRE will work with the RPC in future to agree a suitable methodology for evaluating the use of international evidence in regulatory impact assessments and post implementation reviews. At this stage, however, we do not intend for it to be an area on which they will assess impact assessments.
18	Broaden the scope of ex post review policy, by updating PIR guidance (e.g. Better Regulation Framework Guidance and other related documents such as the PIR template) to prompt departments to address inconsistency in the stock of regulation with international instruments and build on international expertise and practice. There may also be scope for joint ex post evaluations with key partners and greater connection with evaluation initiatives of international organisations.	BRE will consider how best to update the principles of best practice for producing post-implementation reviews in order to highlight the transboundary nature of many areas of regulation, and that it may be necessary to assess whether regulation is consistent with comparable international instruments and practices.
19	In a post withdrawal context, early warnings of potential regulatory divergences and frictions with major partners will become essential to inform future UK rulemaking. This calls for strengthening UK's forward planning tools that help offer information on upcoming regulations to both domestic and foreign stakeholders, including through the WTO notification process, and enabling them to provide comments	To help scan the policy environment for emerging regulatory friction and opportunities for international collaboration, the Department for International Trade is working to strengthen the UK's forward planning tools now we have left the EU. They are developing a triage process for assessing all regulatory notifications to the World Trade Organisation, so they can then be disseminated to relevant policy teams in government for assessment and discussion with stakeholders if necessary.

# Group 3: Increase awareness and understanding about IRC across departments and regulators, including on the variety of existing IRC practices, and engage stakeholders to inform the development of IRC initiatives

No.	OECD recommendation	UK government commitment
20	The Government should mandate the BRE to conduct a survey of existing IRC initiatives and efforts, and the approaches used across a range of departments and regulators. This survey should leverage BRE's oversight role on better regulation and its regular contacts with actors across Whitehall, the regulator community as well as the private sector. This exercise would allow highlighting positive experiences of regulators with IRC (as well as examples of where it has not been as successful), identifying Departments and/or regulatory agencies with most successful examples of IRC and giving them visibility to serve as example for other Departments and/or regulatory agencies.	The call for evidence launched as part of this Government Response intends to map existing engagement in international regulatory cooperation activities amongst our stakeholders. This will inform our future international regulatory cooperation strategy and support offered to stakeholders.
21	Raise awareness of IRC among departments and regulators and offer them greater incentives to make use of IRC. This could include asking departments and regulators to consolidate the information on international/foreign instruments used in a repository to help other related regulators or future administrations in their search for related references. This could also involve promoting practices such as the development of IRC strategy (following, for example, the model of the Office for Nuclear Regulation strategic framework for international engagement) or the systematic consideration of the risk of non-cooperation for effective policy implementation in their enforcement policy / strategy.	The BRE is developing a suite of toolkits and training materials to support policy makers and regulators in undertaking international regulatory cooperation.
22	Leverage existing regulators forums that exist in the UK government to build a	To help facilitate more strategic engagement and call for evidence with

No.	OECD recommendation	UK government commitment
	community of IRC practices and other regulatory policy topics, raise awareness about IRC tools, and identify training needs when relevant. The community of practice should be an interactive platform where both Departments and independent regulators feel safe to interact and bring the wealth of their own experience – it should not be seen as solely an information vector from the centre.	our domestic stakeholders, we will explore the feasibility and appetite for establishing separate networks convening international policy professionals from UK regulators and business organisations to share experience and best practice on international regulatory cooperation, and identify frictions due to non-aligned regulatory approaches. These networks would also act as a forum where the Government can give visibility to its own engagement strategy and priorities.
23	Create more systematic links between international units throughout Government with the FCDO (perhaps through the Regulatory Diplomacy initiative) and improve information flows about active participation in IOs to give the FCDO a broader view of the UK's activity in multilateral forums. This could enable the FCDO to identify gaps and opportunities in the UK's engagement with IOs.	The Foreign, Commonwealth and Development Office's (FCDO) Regulatory Diplomacy Initiative aims to deliver stepped-up, coordinated, and proactive engagement on regulatory and standards issues with foreign partners, alongside increasing the international capabilities of our domestic policy makers and regulators.
24	Consider setting up regulatory co- operation forums with key trading partners to allow for regular exchange of information and provide opportunities for identifying the regulatory frictions and co-operation opportunities and priorities of mutual benefit (see forthcoming OECD work in this area). Such an initiative could also represent an important political commitment in support of IRC between the respective governments.	The BRE are developing a programme of Better Regulation Forums with a range of international partners. These Forums will involve departments across governments and regulators, with a view to fostering relationships and practical collaboration between their international counterparts.
25	Use regular stakeholder engagement platforms between BRE and businesses to identify regulatory frictions and specific IRC initiatives that can benefit businesses, and SMEs in particular. To do so, various business associations should be consulted for input into the design of the horizontal IRC strategy; and international SME federations in domestic consultation procedures should be targeted.	The call for evidence launched as part of this Government Response intends to map existing engagement in international regulatory cooperation activities amongst our stakeholders. This will inform our future international regulatory cooperation strategy and support offered to stakeholders.

No.	OECD recommendation	UK government commitment
25 ctd	To this effect, consider drawing from the lessons under Canada's interface with stakeholders in the Regulatory Co- operation Council and the Australia New Zealand Leadership Forum.	The BRE are working to embed consideration of international regulatory cooperation across various Government stakeholder forums, full information on which will be set out in our future strategy.

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